



Senate

General Assembly

File No. 71

January Session, 2013

Senate Bill No. 943

Senate, March 20, 2013

The Committee on Commerce reported through SEN. LEBEAU of the 3rd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING CHANGES TO THE STATE ECONOMIC STRATEGIC PLAN.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 32-1o of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2013*):

3 (a) On or before July 1, [2009] 2015, and every [five] four years
4 thereafter, the Commissioner of Economic and Community
5 Development, within available appropriations, shall prepare an
6 economic development strategic plan for the state in consultation with
7 the Secretary of the Office of Policy and Management, the
8 Commissioners of Energy and Environmental Protection and
9 Transportation, the Labor Commissioner, the chairperson of the
10 Culture and Tourism Advisory Committee, the executive directors of
11 the Connecticut Housing Finance Authority, Connecticut Innovations,
12 Incorporated, and the Connecticut Health and Educational Facilities
13 Authority, or their respective designees, and any other agencies the
14 Commissioner of Economic and Community Development deems

15 appropriate.

16 (b) In developing the plan, the Commissioner of Economic and
17 Community Development shall:

18 (1) Ensure that the plan is consistent with (A) the text and locational
19 guide map of the state plan of conservation and development adopted
20 pursuant to chapter 297, and (B) the state's consolidated plan for
21 housing and community development prepared pursuant to section 8-
22 37t;

23 [(2) Consult regional councils of governments, regional planning
24 organizations, regional economic development agencies, interested
25 state and local officials, entities involved in economic and community
26 development, stakeholders and business, economic, labor, community
27 and housing organizations;

28 (3) Consider (A) regional economic, community and housing
29 development plans, and (B) applicable state and local workforce
30 investment strategies;]

31 [(4)] (2) Assess and evaluate the economic development challenges
32 and opportunities of the state and against the economic development
33 competitiveness of other states and regions; and

34 [(5)] (3) [Host regional forums to provide for public involvement in
35 the planning process] Provide for public input in the development of
36 the plan.

37 (c) The strategic plan required under this section shall include, but
38 not be limited to, the following:

39 (1) A review and evaluation of the economy of the state; [. Such
40 review and evaluation shall include, but not be limited to, a sectoral
41 analysis, housing market and housing affordability analysis, labor
42 market and labor quality analysis, demographic analysis and historic
43 trend analysis and projections;]

44 (2) A review and analysis of factors, issues and forces that impact or
45 impede economic development and responsible growth in Connecticut
46 and its constituent regions; [. Such factors, issues or forces shall
47 include, but not be limited to, transportation, including, but not
48 limited to, commuter transit, rail and barge freight, technology
49 transfer, brownfield remediation and development, health care
50 delivery and costs, early education, primary education, secondary and
51 postsecondary education systems and student performance, business
52 regulation, labor force quality and sustainability, social services costs
53 and delivery systems, affordable and workforce housing cost and
54 availability, land use policy, emergency preparedness, taxation,
55 availability of capital and energy costs and supply;]

56 [(3) Identification and analysis of economic clusters that are growing
57 or declining within the state;]

58 [(4)] (3) An analysis of targeted industry sectors in the state that (A)
59 identifies those industry sectors that are of current or future
60 importance to the growth of the state's economy and to its global
61 competitive position, (B) identifies what those industry sectors need
62 for continued growth, and (C) identifies those industry sectors' current
63 and potential impediments to growth;

64 [(5) A review and evaluation of the economic development structure
65 in the state, including, but not limited to, (A) a review and analysis of
66 the past and current economic, community and housing development
67 structures, budgets and policies, efforts and responsibilities of its
68 constituent parts in Connecticut, and (B) an analysis of the
69 performance of the current economic, community and housing
70 development structure, and its individual constituent parts, in meeting
71 its statutory obligations, responsibilities and mandates and their
72 impact on economic development and responsible growth in
73 Connecticut;]

74 [(6)] (4) Establishment and articulation of a vision for Connecticut
75 that identifies where the state should be in [five, ten, fifteen and
76 twenty years] the future;

77 [(7)] (5) Establishment of prioritized, clear and measurable goals and
78 objectives for the state and regions [, to meet the short and long-term
79 goals established under this section] and provide clear steps and
80 strategies to achieve said goals and objectives; [, including, but not
81 limited to, the following: (A) The promotion of economic development
82 and opportunity, (B) the fostering of effective transportation access
83 and choice including the use of airports and ports for economic
84 development, (C) enhancement and protection of the environment, (D)
85 maximization of the effective development and use of the workforce
86 consistent with applicable state or local workforce investment strategy,
87 (E) promotion of the use of technology in economic development,
88 including access to high-speed telecommunications, and (F) the
89 balance of resources through sound management of physical
90 development;]

91 [(8) Prioritization of goals and objectives established under this
92 section;]

93 [(9)] (6) Establishment of relevant measures that clearly identify and
94 quantify (A) whether a goal and objective is being met at the state,
95 regional, local and private sector level, and (B) cause and effect
96 relationships, and provide a clear and replicable measurement
97 methodology; and

98 [(10)] (7) Recommendations on how the state can best achieve goals
99 under the strategic plan and provide cost estimates for implementation
100 of the plan and the projected return on investment for those areas. [;]

101 [(11) A review and evaluation of the operation and efficacy of the
102 urban jobs program established pursuant to sections 32-9i to 32-9l,
103 inclusive, enterprise zones established pursuant to section 32-70,
104 railroad depot zones established pursuant to section 32-75a, qualified
105 manufacturing plants designated pursuant to section 32-75c,
106 entertainment districts established pursuant to section 32-76 and
107 enterprise corridor zones established pursuant to section 32-80. The
108 review and evaluation of enterprise zones shall include an analysis of
109 enterprise zones that have been expanded to include an area in a

110 contiguous municipality or in which there are base or plant closures;

111 (12) An assessment of program performance with regard to the
 112 development, research and economic assistance matching grant
 113 program established pursuant to section 32-345; and

114 (13) Any other responsible growth information that the
 115 commissioner deems appropriate.]

116 (d) On or before July 1, [2009] 2015, and every [five] four years
 117 thereafter, the Commissioner of Economic and Community
 118 Development shall submit [an] the economic development strategic
 119 plan for the state prepared pursuant to this section to the [Governor
 120 for approval. The Governor shall review and approve or disapprove
 121 such plan not more than sixty days after submission. The plan shall be
 122 effective upon approval by the Governor or sixty days after the date of
 123 submission.

124 (e) Upon approval, the commissioner shall submit the economic
 125 development strategic plan to the] joint standing committees of the
 126 General Assembly having cognizance of matters relating to commerce,
 127 planning and development, appropriations and the budgets of state
 128 agencies and finance, revenue and bonding. Not later than thirty days
 129 after such submission, the commissioner shall post the plan on the web
 130 site of the Department of Economic and Community Development.

131 [(f) The commissioner from time to time, may revise and update the
 132 strategic plan upon approval of the Governor. The commissioner shall
 133 post any such revisions on the web site of the Department of Economic
 134 and Community Development.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2013	32-10

CE *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill results in no fiscal impact to the Department of Economic and Community Development (DECD) by (1) shortening the timeframe and (2) reducing the content of the state's economic strategic plan. DECD can accommodate these changes to the strategic plan as it is within the scope of the agency's mission to develop and implement viable economic strategies for the state.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**SB 943*****AN ACT CONCERNING CHANGES TO THE STATE ECONOMIC STRATEGIC PLAN.*****SUMMARY:**

This bill shortens the timeframe for the state's economic development strategic plan and eliminates many procedural and content requirements for preparing it. By law, the plan is prepared by the Department of Economic and Community Development (DECD), in consultation with several specified state and quasi-public agencies.

The bill shortens the plan's timeframe from five to four years and extends the deadline for the next plan. DECD submitted the first plan in 2009 and, under current law, must submit the next plan by July 1, 2014. Under the bill, DECD must submit the next plan by July 1, 2015, and every four years thereafter.

EFFECTIVE DATE: July 1, 2013

PROCEDURAL CHANGES

The bill makes changes to the process for preparing, approving, and revising the plan. It eliminates the requirements that the commissioner must, when preparing the plan:

1. consult with regional councils of governments; regional planning organizations; regional economic development agencies; interested state and local officials; community and economic development entities; stakeholders; and business, economic, labor, community, and housing organizations; and
2. consider regional economic, community, and housing development plans and applicable state and local workforce investment strategies.

The bill also eliminates a requirement specifying how the commissioner must involve the public in the planning process. Current law specifically requires her to do so by hosting public forums. The bill eliminates this requirement and instead simply requires her to provide for public input.

After completing the planning process, current law requires the commissioner to submit the plan first to the governor for approval and then to the legislature. The bill eliminates the requirement that she must submit the plan to the governor, who, under current law, has 60 days to approve or disapprove it or allow it to be approved without acting on it.

Lastly, the bill eliminates a (1) provision allowing the commissioner to revise and update the plan, with the governor's approval and (2) requirement that she post the revisions on DECD's website.

CONTENT CHANGES

The bill eliminates many provisions that specify the plan's content. Those provisions specify general topics (e.g., review and evaluation of the state's economy) and how they must be addressed (e.g., sectoral analysis, housing market and housing affordability analysis, etc.). The bill (1) eliminates some topics and the specifications for how they must be addressed and (2) keeps others, but for some, eliminates the specifications for addressing them.

Eliminated Topics

The bill eliminates the requirement that the plan review and evaluate the state's economic development structure, including:

1. a review and analysis of (a) past and current economic, community, and housing development structures, budgets, and policies, and (b) the efforts, and responsibilities of the structures' constituent parts; and
2. an analysis of the extent to which these structures and parts (a) meet their obligations, responsibilities, and mandates and (b)

contributed to the state's economic development and responsible growth.

The bill eliminates the requirement that the plan must identify and analyze the state's growing and declining economic clusters (i.e., geographically concentrated and interrelated groups of businesses, universities, and government agencies).

The bill eliminates the requirement that the plan evaluate specific programs and policies. The programs are the urban jobs, enterprise zones, railroad depot zones, manufacturing plant zones, entertainment districts, enterprise corridor zones, and small business assistance innovation research. Under current law, DECD reports on the enterprise zone program and the businesses assisted under the other programs in its annual report (CGS § 32-1m).

Lastly the bill eliminates the requirement that the plan evaluate any responsible growth information the commissioner believes is appropriate.

Eliminated Specifications

The bill retains the other topics, but eliminates the specifications for addressing them. In doing so, the bill allows the commissioner to determine how to address them.

The bill still requires the plan to review and evaluate the state's economy, but eliminates the requirement that it do so by including a sectoral analysis, housing market and housing affordability analysis, labor market analysis and labor quality analysis, demographic analysis, and historic trend analysis and projections.

The bill similarly keeps the requirement that the plan review and analyze the factors, issues, and forces affecting state and regional economic development and responsible growth, but eliminates the list of specific factors, issues, and forces the plan must examine. The factors are: commuter transit, rail and barge freight, technology transfer, brownfield remediation and development, health care

delivery and costs, early education, primary education, secondary and postsecondary education systems and student performance, business regulation, labor force quality and sustainability, social service costs and delivery systems, affordable and workforce housing costs and availability, land use policy, emergency preparedness, taxation, capital availability, and energy costs and supply.

The bill still requires the plan to establish and articulate a vision for the state. Under current law the plan must also identify where the state should be in five, 10, 15, and 20 years. The bill eliminates this five-year horizon interval, allowing the commissioner to choose the point in the future for identifying the state's progress.

Lastly, the bill still requires the plan to (1) establish clear and measureable statewide and regional goals and objectives and (2) specify clear steps and strategies for achieving them, but it eliminates the specific goals and objectives the plan must address. These goals and objectives are: promoting economic development and opportunity; fostering effective access and choice to airports and ports for economic development; enhancing and protecting the environment; maximizing the extent to which the workforce is developed and used consistent with applicable state and local workforce investment strategies; promoting the use of technology in economic development, including access to high-speed communications; and balancing resources through sound physical development management.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 17 Nay 0 (03/07/2013)